

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

WAVERLY LIGHT AND POWER

AND

AMERICAN FEDERATION OF STATE, COUNTY,  
AND MUNICIPAL EMPLOYEES, AFL-CIO LOCAL  
3489

JANUARY 1, 2008 - DECEMBER 31, 2010

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## AGREEMENT BETWEEN

### Waverly Light and Power and AFSCME/Iowa Council 61, AFL-CIO, Local 3489

This Collective Bargaining Agreement (hereinafter referred to as "Agreement") made and entered into this 1st day of January, 2008, pursuant to the provisions of Chapter 20 of the Code of Iowa (the Public Employment Relations Act), by and between the Waverly Light and Power, a municipal corporation, organized and operating under the laws of the State of Iowa (herein referred to as "Utility") and the American Federation of State, County, and Municipal Employees, AFL-CIO, Local 3489 (herein referred to as the Union), for and in consideration of mutual covenants and agreements herein contained.

Whereas, this Agreement is entered into for the purpose of facilitating the peaceful and satisfactory adjustment of differences that may arise from time to time and promoting harmony and efficiency, to the end that the Utility, its employees, the Union and the general public may mutually benefit.

#### ARTICLE I Definitions

The following phrases of word shall have the meanings designated where used herein:

- A. "PERA" shall refer to the Public Employment Relations Act, as that Act is set forth in Chapter 20 of the Code of Iowa;
- B. "PERB" shall refer to the Public Employment Relations Board, as defined, designated and provided for in said Chapter 20 of the Code of Iowa;
- C. "HIS" when used in this Agreement shall be interpreted to include both masculine and feminine gender;
- D. A "GRIEVANCE" is a claim presented by an employee(s) alleging that there has been a violation, *misinterpretation or misapplication* of a specific provision(s) of this Agreement;
- E. An "AGGRIEVED PERSON" is an employee who possesses a grievance and timely presents it in accordance with the procedures set forth in Article IV;
- F. "TEMPORARY EMPLOYEES" are those who are employed less than one hundred twenty (120) days;
- G. "PART-TIME EMPLOYEES" are those employees who are scheduled to work less than thirty (30) hours per week;
- H. "SEASONAL EMPLOYEES" are those who are hired for a specific job or project which will terminate at the end of a season, or when the work ceases to exist, (to-wit: special construction project, etc.);
- I. "REGULAR FULL-TIME EMPLOYEES" are those who have successfully completed their probationary period, are regularly scheduled to work more than thirty (30) hours per week and are included within the bargaining unit;
- J. "PROBATIONARY EMPLOYEES" are those who have been employed by the Utility for a period less than six (6) months as a regular full-time employee;

K. "STANDBY" as referred to in the Agreement shall be defined as "an employee on call" and in accordance with the Fair Labor Standards Act;

L. "UTILITY" shall mean Waverly Light and Power.

## ARTICLE II Recognition and Management Rights

### Section 1. Certified Bargaining Representative.

The Utility recognizes the Union as the certified, exclusive and sole bargaining representative of all personnel employed by the Utility as set forth in PERB certification orders, Case No. 3512 and Case No. 4175, unless mutually agreed and stipulated to alter, and further agrees to negotiate and bargain exclusively with the Union through its duly accredited officers and representatives for the following employees of the Utility:

**INCLUDED:** Linemen and groundmen, power plant operators and engineers, meter installers and repairers and repairmen, truck drivers, warehousemen, clerical personnel, inventory clerk, accountant, technical services advisor, power plant and substation electrician and all other physical employees.

**EXCLUDED:** General Manager, Assistant General Manager/Operations Manager, Manager of Business Operations and Development, Manager of Finance, Office Manager, Distribution Planner, Energy Advisor, Secretary Receptionist, Draftsperson and all other employees excluded by Section 4 of the PERA.

### Section 2.02. Jurisdiction Over New Classifications.

The Utility agrees that if other classifications are established which come under the jurisdiction of the Union, the rate of pay for that classification will be negotiated. If the parties cannot agree whether a new job or classification is within the jurisdiction of the Union, this issue will then be resolved by the PERB, and not through arbitration.

### Section 2.03. Temporary, Part-Time or Seasonal Employee Exclusion.

Temporary, part-time or seasonal employees shall not acquire benefits, rights, or seniority under the terms and provisions of this Agreement. If any of the above employees are retained by the Utility for more than time periods set forth in Article 1, or in the case of part-time employees, work more hours per week than provided for in Article 1, they shall be considered as regular employees and entitled to all rights and benefits under this Agreement including seniority and dating back to the date upon which they were hired except part-time employees who work no more hours per week than provided for the Article 1 but are retained beyond one hundred twenty (120) days shall receive pro-rata all benefits of this Agreement.

### Section 2.04. Management Rights.

The Utility shall have, in addition to all powers, duties and rights established by constitutional provision, statute, ordinance, charter or special act, specifically including the PERA, the exclusive power, duty and right to do any of the following:

- A. Direct the work of its employees;
- B. Hire, promote, demote, transfer, assign and retain its employees in position within the Utility;
- C. Suspend or discharge its employees for proper cause;
- D. Maintain the efficiency of the Utility operations;

- E. Relieve its employees from duty due to lack of work or for other legitimate reasons;
- F. Determine and implement methods, means, assignments and personnel by which the Utilities operations are to be conducted;
- G. Take such action as maybe necessary to carry out the mission of the Utility;
- H. Initiate, prepare, certify, and administer its budget;
- I. Exercise all powers and duties granted to the Utility by law; 1. Establish the normal working hours of the employees.

The above listed are rights reserved to and vested in the Utility and shall be exercised by the Utility consistent with the provisions of this Agreement.

### ARTICLE III Cooperation

#### Section 3.01. Utility Responsibility.

The Utility agrees to cooperate with the Union to promote safe operation, harmony and efficiency among the Utility employees under this Agreement.

#### Section 3.02. Union Responsibility.

The Union, and the employees of the Utility who are members of the Union, agree that they will individually and collectively perform safe, efficient and diligent service; that they will use their influence and best efforts to protect the property of the Utility and its interest; and that they will cooperate in promoting and advancing the welfare of the Utility and its service at all times as a matter of enlighten self-interest.

#### Section 3.03. Joint Responsibility.

The Utility, Union, and the Union membership, jointly and mutually declare it to be their purpose and intent to carry out, in good faith, the provisions of this Agreement and to engage in no subterfuge for the purposes of defeating or evading the provisions of the Agreement, as required by the PERA.

#### Section 3.04. Union Membership and Dues.

- A. Opportunity to Join the Union: All regular employees covered by this Agreement may be offered the choice to join the Union or not to join the Union. Both parties agree not to apply direct or indirect coercion upon new employees regarding their decision.
- B. Dues Check-off: The Utility agrees to check off from the first two (2) pay periods of each month, Union dues and initiation fees, and to deliver the deducted dues and fees to an authorized representative of the Union within ten (10) days after the check-off has been made provided that a written request is on file with the Utility from each member of the Union, authorizing such deduction and payment. It is understood that any authorization for payroll deductions shall be voluntary on the part of the employees and shall be subject to cancellation at any time upon thirty (30) days written notice by the employee to the Utility.

Check Off 2: The Employer agrees to deduct from the wages of any employee who is a member of the union a PEOPLE deduction as provided for in a written authorization. Such authorization must be executed by the employee and may be revoked by the employee at any time by giving written notice to both the Employer and the Union. The Employer agrees to remit any deductions made pursuant to this provision promptly to the Union together with an itemized statement showing the name and the

Employee from whose pay such deductions have been made and the amount deducted during the period covered by the remittance.

Maintenance of Membership: Such orders shall be terminable, with written notice to the Employer and the Union within a two-(2) week period following the anniversary date of the Employee's authorization to withhold dues. The Employer agrees not to hold requests to terminate authorization for payroll dues deduction. Such deductions shall cease within sixty (60) calendar days from receipt of the Employee's notice to terminate dues deduction during this period.

- C. Indemnity: The Union agrees to indemnify and save the Utility harmless from and against any and all claims, suits and other forms of liability arising out of the deduction of Union dues and initiation fees, from an employee's pay. The Union assumes full responsibility for the deduction, according to the PERA, once they have been delivered to the properly designated official of the Union.

#### Section 3.05. Communication With Employees.

The Utility agrees to provide the Union with reasonable space on bulletin boards for the purposes of posting official bulletins relating to the business of the Union. The bulletin boards shall be placed in locations readily available to Union members.

#### Section 3.06. Representation.

- A. Official Representation: The Utility shall recognize as stewards or committee members representing the Union, only those employees who are officially designated in writing by the Union to the Utility. The Union shall recognize, as official representatives of the Utility, only those persons who are department supervisors, superintendents, or the General Manager or, as may be designated by the Utility to the Union. A written list of these designated representatives shall be provided by both parties to the other immediately upon designation of the representatives and any alterations or changes in these designations shall require immediate notice to the other party.
- B. Union Visitation: Should a representative for the Union, not in employment of the Utility, desire to visit working location during working hours, he/she shall notify the General Manager of the Utility, or his assistant, of his intention to visit, including the date and time of the visitation. It is, however, understood that the Union representative shall not unnecessarily interfere with the employee's performance of duty during the course of the visit.

#### Section 3.07. Sub-Contracting Prohibited.

The Utility agrees not to sub-contract any of the work ordinarily done by its regular full-time employees if the sub-contracting would require layoff or reduction in the regular rate of pay of the employees.

#### Section 3.08. New Employees Orientation.

The Local Union/Chapter may, at its discretion, make presentations to new employees during their work time. Such presentations will be limited to one-half (1/2) hour. One Union representative making the presentation shall be in pay status.

### ARTICLE IV

#### Settlement of Differences - Grievances - Arbitration

##### Section 4.01. Definition of Grievance Procedure.

A grievance shall be a written complaint alleging a violation involving the application and interpretation of

provisions of this Agreement. A grievance shall contain a statement of the grievance by indicating the issue involved, the relief sought, the date the incident or violation took place (if known) and the specific section or sections of the Agreement involved.

The grievance shall be presented to the designated supervisor (on forms furnished by the Union) and signed and dated by the Union. The grievance form will state the name of the employee(s) authorizing the filing of the grievance. An aggrieved employee shall have the right to a Union Representative appointed by the Union.

Any Operating employee shall have the right to meet and adjust his or her individual complaint with the Utility. All grievances must be presented promptly and not later than ten (10) days from the date the grievant first became aware of the cause of such grievance.

The arbitration provision of the Agreement may only be invoked with the approval of the Union and, in the case of an employee's grievance, only with the approval of the employee.

#### Section 4.02. Purposes.

It is acknowledged by both parties that the purpose of this grievance procedure is to attempt to secure, at the lowest possible level, without unnecessary interference or interruption of the work activities of the parties or the employees, equitable solutions to the problems affecting the parties or the employees, equitable solution affecting the parties or the members of the Bargaining Unit, which may arise under this Agreement. Both parties agree that their proceedings will be kept as informal and confidential as may be appropriate at any level of the procedure. To that end, the following procedures shall govern and control the rights of the parties and the members of the Bargaining Unit with respect to the processing and disposition of grievances.

#### Section 4.03. Procedure.

The procedure for the processing of a grievance shall be as follows:

- A. Step 1. In the event of a grievance, the employee (with or without a steward present) shall first discuss the matter with his supervisor within ten (10) calendar days of the occurrence giving rise to the grievance. The supervisor shall provide a written answer to the employee within five (5) calendar days after the date the grievance was reported to the supervisor.

The following exceptions are made to a grievance resulting from payroll disputes: In the event of a grievance involving inaccuracies in payment of base pay, step increases or inaccuracies resulting from data entry or accounting errors, the employee (with or without a steward present) shall first discuss the matter with their supervisor indicating the first date known to the employee giving rise to the grievance. All other payroll disputes shall be limited to and submitted within sixty (60) days of the occurrence giving rise to the grievance. Any monetary award or compensation arising out of the resolution of a grievance resulting from a payroll dispute shall be retroactive to the date indicated by the employee or sixty (60) days, whichever is applicable. If a grievance is not resolved, the employee may proceed to Step 2.

- B. Step 2. Should the employee desire to proceed beyond Step 1, the employee shall first confer with a Union steward and if, in their opinion, the grievance is valid, they will then complete a written standard grievance form, a copy of which standard grievance form is marked Exhibit "C" and attached to the Agreement. The written grievance must be submitted to the General Manager of the Utility within ten (10) calendar days after the employee receives the oral answer from his superintendent. The General Manager of the Utility shall provide a written answer on the standard grievance form to the employee within ten (10) calendar days after he receives the employee's written grievance. If grievance remains unsolved, the employee may proceed to Step 3.

C. Step 3. An employee who desires to pursue his grievance further shall notify the Union. Upon receiving the notice, the Union representative shall meet with the General Manager of the Utility and the Chairman of the Board of the Utility within ten (10) calendar days in an effort to resolve the grievance. This meeting shall be at a time and place mutually agreed upon by the parties involved. Following the meeting, the General Manager of the Utility and the Chairman of the Board shall deliver to the Union a written answer within ten (10) calendar days of the date upon which the meeting was held. If the employee and the Union wish to pursue the grievance further they may proceed to Step 4.

D. Step 4. In the event that the employee and the Union desire to pursue the grievance further, the Union shall submit a written notice of intent to proceed to binding arbitration within ten (10) calendar days from the date upon which the Union receives the written answer of the General Manager of the Utility and the Chairman of the Board of the Utility. Within fifteen (15) calendar days after written notice for binding arbitration is presented to the Utility, the Utility and the Union shall attempt to agree upon a mutually acceptable arbitrator. If agreement on an arbitrator cannot be reached, either party may request a list of arbitrators be provided by PERB. The requested list shall contain the names of five (5) arbitrators. Within ten (10)

calendar days after the receipt of the list from the PERB, the representatives of the parties shall meet for the purpose of selecting the arbitrator. At the meeting, the parties shall determine by lot which party shall proceed first. The party so selected shall strike the name of an arbitrator from the list and the parties shall alternately continue to strike names from the list of arbitrators until one name remains, which name shall be the arbitrator.

The arbitrator, once selected, shall be notified of his selection by the parties. Thereafter, the arbitrator shall confer with the representatives of the Utility and the Union regarding the grievance, and if necessary, shall hold hearings promptly and issue his binding decision within twenty-one (21) calendar days after the close of the hearing or the conference with the representatives. The arbitrator's decision shall be in writing and shall set forth his finding of fact, reasoning and conclusions on the grievance submitted. Further, the arbitrator shall consider and decide only one grievance at a time. Finally, the arbitrator shall be without power or authority to recommend any decision which requires the commission of an act prohibited by law or which violates, modifies or alters the terms of this Agreement.

#### Section 4.04. Miscellaneous.

A. Cost. The costs of the services of the arbitrator, a court reporter, if necessary, and the cost of the hearing room shall be borne equally between the Utility and the Union. Any other expenses incurred, including witness and employee wages, shall be paid by the party incurring the expenses. However, through Step 3 of the grievance procedure, aggrieved employees and stewards handling grievances for the employees they represent shall suffer no loss of regular pay provided that no overtime pay is required and the performance of their duties is not unnecessarily interfered with.

B. Time Limits. The time limits set forth in Section 4.03 of this Article may be expanded or shortened by mutual written agreement between the General Manager of the Utility and the Union.

C. Failure to Timely Pursue or Respond. If the grievance is not submitted within the specified time period, the grievance will be deemed resolved and further action by either party barred. Correspondingly, the failure of a representative of the Utility to timely reply or answer at any step of the grievance procedure shall automatically advance the grievance to the next step at the expiration of the specified time period.

D. Exclusive Remedy. Should an aggrieved person present a grievance for decision other than by the procedure set forth in the Article, the presentation by the aggrieved person shall relieve the Utility of any and all further obligations to process the grievance through the procedures set forth herein. Further, it is understood and agreed that for those matter which fall within the definition of this Article, the procedure set forth



in this Article shall constitute the sole and exclusive remedy of the parties hereto, and the employees included in the bargaining unit.

## ARTICLE V

### Seniority - Promotion - Layoff

#### Section 5.01. Seniority.

The Utility seniority of an employee shall begin on his most recent starting date of employment with the Utility. The departmental seniority of an employee shall be the total length of time the employee has worked in the department since his most recent starting date of employment with the Utility. In addition, and for the purpose of calculation of benefits only, the Utility may allow a length of service credit to employees of the City of Waverly who become employees of the Utility, commencing with their most recent date of employment by the City of Waverly.

#### Section 5.02. Probationary Employees.

All new employees of the Utility covered by the classifications made a part of this Agreement shall serve a probationary period of six (6) months. Upon completion of the probationary period, Utility and departmental seniority of the employee shall revert to his starting date of employment. The provisions of this Agreement regarding holiday pay, vacation benefits, and sick leave are applicable to the probationary employees; however, probationary employees shall not have the right to resort to the grievance procedure for discharge from employment by the Utility during their probationary period.

#### Section 5.03. New Classification, Jobs and Vacancies.

When the Utility establishes a new classification, job or elects to fill a vacancy, the employment opportunity shall be posted and filled according to the following procedures.

- A. **Determination of Vacancy.** When a current job classification is vacated, the Utility shall first determine whether or not vacated classifications shall be filled. In the event that the Utility determines that a vacancy will not be filled, written notice of this decision shall be forwarded to the Union, including a brief explanation of the reasons for the decision. This provision, however, shall not be grievable unless the notice reveal a violation of another provision of this Agreement.
- B. **Posting.** The employment opportunities shall be posted and the posting shall continue for five (5) working days. The job posting shall be sufficient if in writing, stating the job classification which is open, the location of the work, the starting rate of pay and the description of the job. All employees of the Utility shall be eligible to bid in writing for the employment opportunity.
- C. **Failure to bid.** An employee shall not be required to exercise his seniority rights on every employment opportunity for which he is qualified, and his failure to bid on any particular employment opportunity shall not sacrifice or jeopardize his right to bid on future employment opportunities.
- D. **Employees Absent During Posting.** An employee who is not at work during the period of the job posting, may request notification of the posting of the employment opportunity by notifying his steward of his desire. Thereafter, it shall be the responsibility of the steward to contact the employee desiring notice of any job posting. Further, it shall be the employee's responsibility to advise the steward as to where the employee may be contacted during the period of his absence.

- E. **Factors Considered in Awarding New Employment Opportunities.** After the job bidding procedure has closed, the Utility shall proceed to select an employee to fill the opportunity which has been posted within the time limits set forth above. The employment opportunity shall be awarded to the employee who is physically fit and more qualified for the job. However, if more than one employee possess sufficient and near equal qualifications, then seniority shall determine the selection. In the event that no qualified employees bid for the employment opportunity, the Utility shall be free to fill the employment opportunity by hiring a new employee.
- F. **Award.** Within ten (10) days after the conclusion of the posting, the Utility shall award the opportunity or notify the Union of the reason for the delay. When an employment opportunity is filled, the Utility shall post written notice of the award giving the name of the employee awarded the assignment, or advising that no employee has been awarded the assignment, a copy of which written notice shall be sent to the Union. The employee receiving the job award shall be transferred to the new assignment within a reasonable time after the award, or be notified of the reason for the delay in assignment.
- G. **Qualification Period.** An employee who is promoted or transferred shall be subject to a training and qualifying period, which shall extend for a period of six (6) months from the date of transfer. If the employee is determined to be unqualified to do the job, at the conclusion of the training and qualifying period, he shall be transferred back to his former job classification. In such event, time spent in the new classification, for purposes of seniority, shall transfer back to the previous classification of the employee and be considered as time in the previous classification.
- H. **Permanency.** No vacancy or new employment opportunity shall be considered permanently filled by the Utility unless it has been filled in compliance with the foregoing procedure.

#### Section 5.04. Layoffs.

Layoffs of employees shall be made in accordance with departmental seniority within the department in which the layoff occurs, as follows:

- A. **Probationary, temporary, part-time or seasonal employees.** Employees who have not established seniority with the Utility shall be laid off first.
- B. **Regular Part-Time Employees.** Thereafter, regular part -time employees shall be laid off in inverse order of their established seniority.
- C. **Regular Employees.** Thereafter, regular employees shall be laid off in inverse order of their established seniority, but upon layoff, an employee may bump another in any lower paid classification who has less departmental seniority, provided that the first employee is qualified to perform the job, in the judgment of the Utility, which judgment shall be exercised in a reasonable and nondiscriminatory manner. However, The foregoing shall not apply to skilled regular employees possessed of an essential skill to properly perform the work available, which skill is not possessed by the regular employee having the greater seniority.

#### Section 5.05. Notice.

Regular employees on seniority lists who are to be laid off shall be entitled to two (2) weeks advance written notice.

#### Section 5.06. Bumping.

Bumping of junior employees by employees who are laid off with greater seniority shall be allowed in those cases in which the layoff extends or exceeds a period of ten (10) working days. The employee who desires to bump a junior employee must process the qualifications within reasonable period of time. The decision with respect to qualifications of the employees involved, shall remain the sole responsibility of the Utility, by the judgment of the Utility shall be exercised in a reasonable and nondiscriminatory manner.

#### Section 5.07. Retention of Seniority by Laid Off Employees.

Employees who have been laid off during the term of this Agreement shall maintain their Utility and departmental seniority for up to a period of one (1) year, upon condition that they return to the employment of the Utility as promptly as circumstances permit, but not to exceed fourteen (14) days after notification by the Utility of its willingness to re-employ them, except by mutual agreement of the parties. It is the laid off employees' duty to keep the Local Union and the Utility advised of his current address and whereabouts.

#### Section 5.08. Recall of Laid Off Employees.

The recall of employees following layoff shall be done as follows:

- A. Regular employees within the department. The last regular employee who was laid off in the department, in which the employees are being recalled, shall be recalled first.
- B. Regular employees of the Utility. When all regular employees who were laid off from the department in which the employees are being recalled, the last regular employee who was laid off in any other department of the Utility, shall be the next to be called.
- C. Qualifications. In order for any regular employee to be recalled, under the provisions of Subparagraph A and B above, he must possess the qualification or essential skill required, and is physically able to perform the work available, in the judgment of the Utility, which judgment shall be exercised in a reasonable and nondiscriminatory manner.

### ARTICLE VI

#### Hours of Work, Work Scheduling, Overtime and Working Conditions

#### Section 6.01. Assignment.

Each employee shall be assigned to an established job classification and shall receive the proper rate of pay in accordance with Exhibit "A", attached hereto and incorporated herein by this reference, for the performance of the duties set forth in his job classification. It is understood that every incidental duty connected with the particular job classification may not be specifically described or enumerated in the job description, and employees may be required to perform similar and reasonably related duties, not within their immediate job description. The Utility may, in emergency or temporary situations, assign qualified employees to incidental and/or unrelated work, outside their job classification. Further, nothing in any job description, or in this paragraph of the Agreement, shall be construed so as to grant any employee, or group of employees, the right to refuse a lawful instruction or order given by the Utility, with respect to a reasonable work assignment.

#### Section 6.02. Pay Periods.

The pay period for employees of the Utility shall be every two (2) weeks. An employee's pay shall be calculated by multiplying the number of hours worked or credited during any pay period times his applicable rate of pay. Paycheck will be deposited within five (5) days after the close of the pay period.

Direct deposit of all employees' pay is required.

#### Section 6.03. I.P.E.R.S. and F.I.C.A.

All employees of the Utility shall be covered under the Iowa Public Employees Retirement System, and the social security program under the Federal government. Any contribution required from the employee shall be deducted from the wage of the employee.

#### Section 6.04. Normal Workweek.

The normal working schedule shall be a forty (40) hour workweek and an eight (8) hour work day. The normal workweek shall begin at midnight on Sunday and end at midnight on the following Saturday. Any additional hours beyond the regular eight (8) hour work day and regular forty (40) hour workweek shall be compensated by granting the employee overtime pay at the applicable overtime rate. There shall be no pyramiding of over time pay for any hours worked.

#### Section 6.05. Normal Work Schedule.

The following is the normal schedule for work in the Utility.

- A. Clerical. The clerical employee shall have a normal workweek consisting of five (5) consecutive eight (8) hour days, Monday through Friday, inclusive, as defined in Exhibit B.
- B. Electric Distribution. The electric distribution employee of the Utility shall have a normal workweek consisting of five (5) consecutive eight (8) hour days, Monday through Friday, inclusive, as defined in Exhibit B.
- C. Electric Generation. The electric distribution employee of the Utility shall have a normal workweek consisting of five (5) consecutive eight (8) hour days, Monday through Friday, inclusive, as defined in Exhibit B.
- D. Change of Shifts. No shifts as defined in Exhibit B shall be altered without prior written notice to the Union. However, and employee may be required to change a shift in his work schedule in order to accommodate sickness, leaves, vacations, etc. In the event that an employee is required to change his work shift schedule, a twenty-four (24) hour notice of the change shall be given to the employee. In the event no notice is given to the employee, this first shift worked by the employee as a change from his regular shift assignment, shall be compensated at the rate of one and one half (1 1/2) times his normal hourly rate of pay.

#### Section 6.06. Rest Periods and Meal Periods.

The Utility will provide one (1) ten (10) minute rest period each working half day to be taken at the job site of the employee, when the employee's work and time permits. There shall be no extra travel time allowed to observe a rest period.

Additionally, the Utility will provide one (1) twenty (20) minute paid meal period at approximately the middle of each working day. For those employees scheduled for an unpaid meal period of either one-half (1/2) hour or one (1) hour duration, rest period shall be increased to fifteen (15) each.

#### Section 6.07. Overtime.

- A. Overtime Distribution. The Utility reserves the right to require all employees to work overtime. All overtime shall be authorized by the Utility and notice of scheduled overtime shall be posted as soon as possible.
- B. Overtime Computation. For purposes of computing overtime compensation, during anyone (1) work week, compensable absence (sick leave, etc.) shall be considered as time worked.
- C. Overtime Compensation. When it is necessary for employees to work beyond their normal quitting time, or report before their normal starting time, or work more than forty (40) hours in anyone (1) work week, they shall be paid at one and one-half (1 1/2) times their normal hourly rate pay. When it is necessary during the normal workweek for an employee to work the two day period considered a weekend, the first day off shall be paid at one and one-half (1 1/2) times the regular hourly rate of pay for all hours worked, and the second day shall be paid at two (2) times the regular hourly rate of pay for all hours worked. Finally, for employees other than those on standby, when it is necessary for an employee to work on a holiday, the employee shall be paid at two (2) times the normal hourly rate of pay for all hours worked. (Standby employees shall be paid as provided in Section 6.10 C.)
- D. Work in Excess of Twelve (12) Hours in a Twenty-Four (24) Hour Period. Any employee who has worked twelve (12) hours or more in a twenty-four (24) hour period shall be paid two (2) times his normal hourly rate of pay for all hours worked in excess of twelve (12) and the employee shall continue at double time until released. The twenty-four (24) hour period shall commence at the start of the employee's regular work day. An employee who received double time compensation shall be entitled to a rest period of six (6) hours before being required to return to work (which is midnight to midnight). If the six (6) hour rest period extend into employee's succeeding regularly scheduled workday, the following shall apply:
  - 1. Four hours or less -If the extension into a succeeding regularly scheduled work day is for four (4) hours or less, the employee shall report for work directly after the expiration of the six (6) hour rest period, and shall be compensated at his regular hourly rate of pay for his entire workday.
  - 2. Four hours or more -If the extension into the employee's normal workday is for more than four (4) hours, the employee may be excused from having to report to work on that succeeding work day and shall be compensated at his regular hourly rate of pay for his entire workday. If not excused, the employee shall report for work at the conclusion of the six (6) hour rest period and remain at work until the end of his regularly scheduled workday. Such an employee shall receive additional regular hourly compensation for all hours worked until the end of his regular workday.

After receiving the six (6) hour rest period, the employee shall not thereafter become subject to the provisions of this Section until he, again, works twelve (12) hours or more in a subsequent twenty-four (24) hour period. The subsequent twenty-four (24) hour period shall not commence at anytime earlier than his reporting to work following the six (6) hour rest period.

#### Section 6.08. Temporary Assignment.

If, in the event of emergency, absence of employees due to vacation, sick leave, etc., or in order to complete work required by the Utility, an employee is required to perform duties of a higher job related classification, the employee so assigned shall be notified and designated. Any employee so designated shall receive his/her normal rate of pay or the pay for the higher job related classification, whichever is greater to a maximum of \$2.00/hour for the hours worked in the temporary assignment. Correspondingly, should the temporary assignment of an employee require an employee to perform duties of a lower classification with a correspondingly lower rate of pay, the employee shall suffer no decrease in his/her normal hourly rate of compensation.

#### Section 6.09. Call In.

A minimum of two (2) hours pay at applicable overtime rates shall be paid to all employees who are called to work after having been released from a regular day's work, or are called to work before their regular starting time. However, should an employee receive more than one (1) call during the minimum call in period (two (2) hours), He shall receive only one (1), two (2) hour pay increment. Further, if an employee voluntarily leaves before the work is completed, within the two (2) hour call in period, he shall only be compensated for the time he works. Finally, should an employee be required to work for a period longer than the two (2) hour call in period, he shall receive the applicable hourly rate for each hour actually worked in excess of the two (2) hour call in time.

#### Section 6.10. Standby.

When it is necessary for an employee to "standby" at a time other than his normally scheduled workday, he shall be paid in accordance with the following schedule:

- A. Regular Workday. Employees who are required to "standby" on their regularly scheduled workdays shall be paid one (1) hour of "standby" pay at the regular straight time rate of pay per hour for each regular day on which the employee is required to "standby".
- B. Saturday, Sunday, or the Equivalent Days. An employee who is required to "standby" on a day which is not a regularly scheduled workday shall be paid two (2) hours of standby for Saturday or the equivalent day (first day of two (2) consecutive days off) and three (3) hours of standby for Sunday or the equivalent day (second day of two (2) consecutive days off) at their regular straight time rate of pay per hour for each Saturday or Sunday or the equivalent day the employee is required to "standby".
- C. Holidays. Employees who are required to "standby" on holidays, as defined and recognized in this Agreement, shall be paid eight (8) hours of "standby" pay at the regular straight time rate of pay per hour for each holiday on which the employee is required to "standby". In addition, an employee who is on "standby" on a holiday, and is called into work, shall be paid two (2) times his/her normal hourly rate for all hours worked.
- D. Vehicle. The Utility shall furnish the employee on standby in the line department with a vehicle.

#### Section 6.11 Meals and/or Expenses.

- A. Work outside the Service Area of the Utility. When an employee is authorized to work away from the normal service areas of the Utility, the Utility agrees to pay the actual, reasonable and necessary lodging and meal expense of the employee upon presentation of valid receipts. Further, when an employee is loaned by the Utility to assist another organization away from the normal service area of the Utility, he shall be paid his normal rate of pay, or the prevailing rate of pay, whichever is higher, for all hours worked, for his travel time, and for the actual, reasonable and necessary lodging and meal expense of the employee, upon presentation of valid receipts.
- B. Work within the Service Area. Employees who are required to work two (2) hours beyond their regularly scheduled quitting time or two (2) hours before their regularly scheduled starting time, shall be entitled to a meal, paid for by the Utility, and time off from their work in order to eat the meal when they are required to return to work after the meal. The meal allowance shall be \$6.25 for any meal, whether eaten or not.  
Paid time off to eat meal:

One-Half (1/2) hour when working within ten (10) mile radius of the service area. One  
(1) hour when working outside the ten (10) mile radius of the service area.

#### Section 6.12. Inclement Weather.

The Utility will not require its regular full time employees to do scheduled work during unreasonable weather conditions, except in emergency and where the work is necessary to protect life or property, or to maintain service to the public.

Operating employees who are not able to report for work because of adverse weather condition or other unexcused absences, will be charged vacation time, absence without pay or a floating holiday; subject to the decision of the Department Manager. If paid time is approved, the employee will be allowed to choose from the available paid time options.

#### Section 6.13. Equipment.

The Utility shall furnish all equipment and tools in fixed locations.

#### Section 6.14. Holding and Campaigning for Public Office.

Employees of the Utility are prohibited from the following activities:

- A. Prohibition Against Campaigning for Public Office during Working Hours. Any employee who is a candidate for public office shall not, in any manner or way, campaign for the office during his working hours as an employee of the Utility.
- B. Conflicts of Interest. No employee shall hold a public office under the jurisdiction of the Utility, which would in any way constitute a conflict of interest between the office and the employee's full time active employment with the Utility under this Agreement.

#### Section 6.15. Change in Work Hours.

As per current practice, adjustment of summer and winter work hours shall occur on the first Monday after Thanksgiving and the first Monday in March of each year.

### ARTICLE VII

#### Leaves

As a general rule, absence from duty shall relieve the Utility of any obligation to compensate the employee. However, the following shall constitute exceptions to the general rule.

#### Section 7.01. Sick Leave.

- A. Accrual. All regular full time employees on the payroll shall accrue sick leave at the rate of one (1) day per month to a maximum accumulation of one hundred thirty (130) days.
- B. Utilization. In the event of sickness or off-the-job injury, the employee will receive eight (8) hours straight time pay at the employee's regularly classified wage rate for each workday that he is sick or unable to work because of sickness or injury to the extent of his earned sick leave credit; but no more than forty (40) hours of sick leave benefit at straight time pay in anyone calendar week.

If a supervisor relieves an employee for illness or off the job injury, sick leave benefit will automatically be allowed for the remainder of the day, on condition that the employee has available sick leave credit. The minimum chargeable use of sick leave credit shall be one (1) hour.

Employees may use accrued sick leave for care and necessary attention of ill or injured members of the immediate family (as defined in Section 7.03 of this Article). Use of sick leave for purposes of necessary attention is limited to ten (10) days (eighty 80 hours) per year.

- C. An employee who has been absent from work because of illness or injury for three (3) consecutive days is required to obtain written documentation from the responsible physician before being allowed to return to work.
- D. An employee using four (4) or less hours of current sick leave for the six (6) month period, 1st, January through 30th, June, and an employee using four (4) or less hours of current sick leave for the six (6) month period, 1st, July, through 31st, December of each calendar year will be awarded a choice of either one (1) day's pay at regular pay or one (1) day of vacation as a floating holiday. The day's pay or holiday will be in addition to regular pay or vacation benefits.
- E. Combination with Vacation Credit. Sick leave is not to be used as additional vacation time. If an employee uses all his earned sick leave benefits, he may utilize unused and earned vacation credit for sick leave purposes.
- F. Illness During Vacation. A vacationing employee, who becomes ill or injured, may be allowed, upon verification, to charge the period of his illness or injury against his sick leave benefits. The charge back from vacation credit to a sick leave benefit shall be subject to the approval of the Utility, which approval shall not be unreasonably withheld. However, there shall be no pyramiding of sick leave pay and vacation pay.
- G. Holidays Excluded. In calculating use of sick leave benefit and/or vacation benefit used to extend sick leave benefits; no deduction shall be made in available sick leave or vacation credit for a day, which is defined as a holiday in this Agreement.
- H. Prompt Notification - Sickness or Illness. Except in emergencies, an employee who is to be absent on account of sickness or off-the-job injury, shall notify his supervisor or department head in advance of his regularly scheduled hour for reporting to work on each and every day of sickness or injury, unless the Utility has waived daily notification. Failure to give prompt notice may result in the loss of the employee's entitlement to sick leave benefits for the day on which the notice was given.
- I. Notice - Treatment or Examination. Notification of the employee's intent to use sick leave for medical, dental, optical or chiropractic examinations or treatments shall be submitted to his department head at least five (5) days in advance of the date the employee intends to be absent. If the Utility determines that the period of leave requested by an employee is unreasonable; the time off work shall be charged either to accrued vacation benefits or unpaid leave of absence.
- J. Exclusion. Sick leave payments will not be made to employees who are injured or contract an occupational disease while employed by another employer or otherwise gainfully employed on non-Utility work. At no time shall any employee receive sick leave pay while receiving benefits from Social Security and/or the Utility's long term disability program.
- K. Documentation. If the Utility has reason to suspect that an employee is abusing the use of his sick leave benefits, the Utility has the right to demand documentation from an appropriate professional person to substantiate the employee's use of sick leave benefits or, that the employee submit to a physical examination by a physician of the Utility's choice, and at Utility expense.
- L. Penalty for Abuse. If the Utility determines that an employee is abusing the use of sick leave, the Utility has



the right to discipline the employee, including but not limited to, termination and reimbursements for all sums paid by the Utility for sick leave benefits prior to the discovery of the abuse.

M. Termination. Upon termination of employment, for whatever reason, all accumulated sick benefits shall be forfeited.

#### Section 7.02. Job Related Injuries.

Any employee who is injured and/or disabled while on duty and while obeying the safety rules of the Utility, shall during the period of his absence from employment, be compensated as follows: The utility shall pay the employee at the rate of ninety percent (90%) of this regular straight time hourly rate for forty (40) hours each week, for a period not to exceed eighteen (18) weeks from the date of the injury. Any and all proceeds from workmen's compensation shall be deducted from the amount owed to the employee. If the period of the employee's disability continues for more than the eighteen (18) weeks referred to above, then the workmen's compensation benefit payable under the Utility's policy shall be the only continuing obligations to the employee, unless he exercises his options hereinafter provided. The amounts paid to the employee during the first eighteen (18) weeks of absence from work due to injury shall not be charged against the employee's sick leave credit. However, after the eighteen (18) week period, the employee may elect to use accumulated sick leave benefits to supplement his income. If he elects, he shall receive an amount equal to the difference between the workmen's compensation benefit being received, if any, and his normal hourly straight time rate of pay for forty (40) hour week. These payments shall be charged against his accumulated sick leave credit. However, the use of sick leave credit shall terminate upon receipt of benefits from social security and/or the Utility's long term disability program.

- A. Benefits During Job Related Disability. If an employee is unable to report to work because of sickness Or injury incurred while in the course of his employment for the Utility, he shall continue to accrue vacation, holiday, insurance, sick leave and seniority benefits for a period of up to one (1) year from the date of the injury or the start of his illness. If the employee is unable to return to work within one (1) year from the date of his contraction of illness injury, he shall cease to be considered an employee of the Utility. This time period may be extended upon mutual written agreement between the employee and the Utility. An employee shall be considered as having returned from illness or injury leave, upon completion of a period of thirty (30) consecutive calendar days of active service to the Utility.
- B. Compensation for Disabled Employees Returning to Employment. In the event of a work related injury And resulting disability which prevents an employee from performing his normal work functions, as provided for in his job description, then the following shall apply:
1. Temporary Disabilities. For temporary disabilities, those which will last less than thirty (30) calendar days, the employee shall be compensated at his normal rate of pay;
  2. Extended Disability. For temporary or permanent disabilities which last longer than thirty (30) Calendar days, the employee shall continue to function in his job classification, or at another job assigned, at a five percent (5%) reduction in his normal hourly compensation. This reduction in hourly compensation shall continue until the disabled employee is able to return to full performance of his duties at his regular job classification.
  3. Permanent Disability. For permanent disabilities which prevent the employee from ever being Able to return to the performance of his full responsibilities, the disabled employee shall have the option of accepting work in another job classification within the Utility, which he is able to perform in spite of his disability. The rate of pay for that job or a ten percent (10%) reduction in his normal hourly rate shall be the rate of compensation, whichever is greater. This reduction in hourly compensation shall continue until the end of the current contract, at which time the rate of pay for the new classification in which he is working will apply.

#### Section 7.03. Funeral or Critical illness Leave.

The Utility will grant necessary and reasonable time, up to three (3) days leave, with pay, in the event of a death or critical illness in the employee's immediate family, which is defined to include wives, husbands, fathers, mothers, fathers-in-law, mothers-in-law, sons, daughters, wards, foster parents, grandparents, and grandchildren. Further, the Utility will grant necessary and reasonable time, no more than one (1) day leave pay, in the event of death or critical illness in the following persons related to the employee: brothers-in-law and sisters-in-law. A maximum of three (3) days per year or one day per year, as the case may be, can be used under this Section per family member. However, in severe cases, additional time off may be granted upon approval of the Utility. This additional time off shall be without pay. The approval of the additional time off, without pay, shall not be unreasonably withheld. Finally, the Utility will grant the reasonable and necessary time to an employee to attend the funeral of a Utility employee, or a retired Utility employee or when the employee is requested to serve as a pallbearer for a close friend, which time off from the employee's employment shall be without pay. The determination as to whether or not an illness is of critical nature shall rest with the Utility General Manager.

#### Section 7.04. Litigation Leave.

Employees called to serve on jury or witness duty will be paid the difference in pay between the check received for jury or witness duty and their regular pay for the applicable time off from work. Employees shall show the check received for jury or witness duty and the Utility shall then pay the difference.

#### Section 7.05. Religious Leave.

An employee whose religious affiliation requires the observance of holidays other than scheduled in this Agreement shall be excused from duty by the Utility for the observance of the holiday, without pay.

#### Section 7.06. Military Leave.

An employee's leave of absence for military purposes and return to employment are governed by Iowa Code Section 29A.28. At the time of separation, the employee may be paid for some or all unused and accrued vacation time, provided reasonable notice has been given. The employee shall be paid his full regular Utility pay for the term of his qualified absence, up to a maximum of thirty (30) regular work days.

#### Section 7.07. Extended Leaves.

Employees may, upon written request to and approval by the Utility, be granted a leave of absence without pay for a period not to exceed one (1) year. Employees on leave shall suffer no loss of seniority and shall continue to accrue seniority for the period of the leave, but shall earn no sick leave, insurance, vacation, or holiday benefits during the period of absence. Insurance benefits may be continued by the employee, at his/her expense, during approved absence.

**ARTICLE VIII**  
**Holidays**

**Section 8.01. Designation.**

The following days are designated as holidays:

New Years Day	January 1
Good Friday	
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Thanksgiving	Fourth Thursday in November
Day after Thanksgiving	Fourth Friday in November
Christmas Eve	December 24
Christmas Day	December 25

Floating Holidays two (2) as designated by the employee, on five (5) days notice except in emergencies, and subject to the approval of the Utility, which shall not be unreasonably withheld.

Whenever a holiday falls on a Saturday, the preceding day shall be considered to be the holiday. Whenever a holiday falls on a Sunday, the following day is considered to be the holiday. Consecutive holidays shall be observed so as to allow the maximum time away from work.

**Section 8.02. Holiday Pay.**

All regular full time employees shall be entitled to holiday pay, which shall consist of eight (8) hours of pay at their regular hourly rate for each holiday designated above. Employees, however, shall not be entitled to receive pay for the holidays designated above if they are absent for all or any part of the workday preceding the holiday, or the workday following the holiday, unless the absence for either or both is authorized by the Utility.

**Section 8.03. Work on a Holiday.**

The Utility agrees that work assigned on holidays shall be kept to a minimum. When an employee is called to work on a day designated in this Agreement as a holiday, except for floating holidays, he/she shall be paid double time for hours worked. Such pay shall be in addition to holiday pay. An employee who is called to work on his/she floating holiday, on a day which is a regularly scheduled work day for that employee, shall not be entitled to double time compensation but shall receive his/her regular rate of pay for all hours worked. However, he/she shall be entitled to additional time off from his/her employment by the Utility at a future designated date, as follows:

A. Four Hours or Less: For working four hours or less, one-half (1/2) additional day of floating holiday; and

B. More than Four Hours: For working more than four (4) hours, one (1) additional day of floating holidays.

**Section 8.04. Holidays During Vacation.**

If a holiday is observed during an employee's vacation, the employees' vacation time may be extended for a period of one (1) day or one-half (1/2) day, as the case may be, or a vacation day may be taken at a later date, provided, that the employee has received approval therefore in writing from the Utility, prior to the time that the additional day of vacation is to be taken.

**ARTICLE IX**  
**Vacations**

**Section 9.01.**

Employees shall begin earning paid vacation time on their first day in pay status. Employees will be credited with the equivalent hours earned at the rate of one-twenty-sixth (1/26) of their annual entitlement each pay period.

**Section 9.02.**

Employees' vacation accrual rates shall be based on the following:

Length of Service	Earned Vacation
1st year	5 days
1-5 years	10 days
6-10 years	15 days
11-14 years	16-19 days
15-19 years	20-24 days
20 years and greater	25 days

**Section 9.03.**

Prior to March 1 of each year, employees desiring to pre-schedule portions of their vacation will, on forms provided by the employer, request vacation periods giving first, second and third choices. The employer will grant vacation based on departmental seniority insofar as the needs and service of the Utility will permit. Vacation time not pre-scheduled as described above will be requested, by the employee, on the forms provided by the Utility. Such vacation request will be granted on a first come, first serve basis as needs and service of the Utility will permit.

**Section 9.04.**

Vacation may be used in increments of no less than one (1) hour. Vacation time may be used in lieu of sick leave.

**Section 9.05.**

Employees may accrue vacation to a maximum of two-times the annual entitlement. Any vacation earned above the accrual cap amount shall be forfeited.

**Section 9.06.**

The employer will provide each employee with a record of accrued vacation with each payroll statement.

**Section 9.07.**

Upon termination of employment with the Utility, the Utility will pay all accrued but unused vacation at the employee's rate of pay at the time of termination. Insofar as employees may use vacation in advance of its accrual, any employee whose employment is terminated, and has used vacation not accrued, shall reimburse the Utility for vacation used in excess of their vacation accrued.

## ARTICLE X Safety and Training

### Section 10.01. Responsibilities of the Parties.

The Utility agrees to continue to provide a reasonably safe place, maintained in reasonably safe condition, in which the employees work. Authorized protective equipment, and other devices, which are reasonably necessary or legally required to properly protect the employee from injury shall be designated and provided by the Utility. Correspondingly, the employees hereby agree to be responsible for the exercise of reasonable care for their own safety while in the course of their employment with the Utility. Such responsibility shall include, but shall not be limited to, the following:

- A. Care and use of equipment and vehicles owned by the Utility;
- B. Protection of Utility owned property from destruction or unnecessary deterioration;
- C. Utilization of required and/or provided safety equipment;
- D. Obedience to designated safety rules; and
- E. Reporting defective or unsafe conditions or equipment to the supervisor.

### Section 10.02. Safety Glasses.

For operating, construction and generation employees whose eyesight requires visual correction are required to wear industrial safety glasses, the Employer will pay up to \$300 bi-annually for one pair of prescription safety glasses. The wearing of safety glasses will not excuse an employee from using additional eye protection as may be provided and required by the Utility.

### Section 10.05. Personal Tools and Work Equipment.

The Utility shall provide all personal tools and work equipment to its employees as determined by the Utility to be essential to the work generally performed in each classification. Replacement of tools and work equipment will be made on an exchange basis covering all worn or damaged tools and work equipment due to normal use. Replacement of lost or damaged tools or work equipment, where the employer can prove carelessness or misuse, shall be the responsibility of the employee to whom the tools or work equipment is assigned. All employees shall be required to maintain all assigned tools in good repair and obtain replacements as necessary.

The tools and equipment as used in this section are defined as only those tools and work equipment, i.e.: hand tools, hard hats, safety glasses, tool belts, climbers, gloves and sleeves, etc. issued to the employee and identified with an employee tool number.

### Section 10.06. Work Uniforms and Outerwear.

The Utility shall provide work uniforms and outerwear in accordance with the following schedule:

- A. New employees shall be reimbursed for outerwear to include Carhart coats and bibs, pants, shirts, boots, (leather or rubber) gloves, blue dress coat and flannel shirts.
- B. Linemen, substation, meter, and generation employees shall receive reimbursement of up to \$700.00 in a calendar year for necessary replacement clothing (as above), employees may carry over the unused balance from year-to-year in order to 'save-up' for the replacement of required and/or needed personal protective apparel.

#### Section 10.07. Use of Cars - Travel.

Utility vehicles are to be used only for the conduct of Utility business. The use of personal vehicles for Utility business is allowed when the employee is carrying a minimum of \$300,000 liability insurance coverage and when the car use is approved by the Department Manager. All operating personnel will be reimbursed for the use of their personal automobiles on the Utility business at the current Federal deduction Rate upon presentation of an approved expense report.

#### Section 10.08. Tuition Aid Program.

The Tuition Aid Program will pay for job related training and educational programs. Training and approved expenses will be budgeted items. Employee taking approved courses will be reimbursed for tuition fees and supplies upon proof of course completion with a grade of C or better. Courses must be approved by Supervisor and General Manager prior to enrollment.

#### Section 10.09. Apprenticeship Programs.

The Utility pays all costs involved in the Apprenticeship Programs. All employees participating in either the Lineman Apprenticeship or the Metering Apprenticeship Program have four (4) years (three years for Metering Apprenticeship) from the date they receive their first year's manual to complete the entire program. Any employee not completing a unit per year will be demoted two pay grades for the next twelve (12) months. If at the end of four (4) years (three years for Metering Apprenticeship) an employee has not completed the entire program, their employment will be terminated.

### ARTICLE XI Insurance

#### Section 11.01. Insurance Coverage Subject to Acceptance by the Insurance Carrier.

The Utility agrees to provide all regular full-time employees with the following coverage:

- A. *Basic Medical and Hospital Insurance Coverage-* The Utility shall provide basic medical hospitalization, major medical and diagnostic X-ray and laboratory medical insurance coverage. The Utility will pay for full family coverage.
- B. *Long Term Disability Coverage-* The Utility will make available a long term disability policy for employees. Employees will be required to participate and the employees shall pay the monthly premium, which will be deducted from their pay.
- C. *Accidental Death and Dismemberment Insurance-* Accidental death and dismemberment insurance coverage providing benefits up to twelve thousand (\$12,000) for which the Utility shall pay the entire premium for all employees.
- D. *Group Dental Insurance.*

#### Section 11.02. Copies of Policy.

A copy of the policy purchased by the Utility to satisfy the foregoing provisions of this Agreement shall be maintained at the office of the Utility and available for inspection by employees covered by the Agreement during working hours.

#### Section 11.03. Change in Benefits.

Utility will notify the Union of any proposed changes in benefits. Any change in employee contribution will be subject to agreement.

#### Section 11.04. Severance Pay.

The employees retiring from the Utility, that said employee shall be credited at the rate of two (2) days per year of service at Waverly Light and Power, for the purpose of severance pay (retirement is receiving IPERS benefits as opposed to simply terminating employment).

### ARTICLE XII

#### Physical Examinations

##### Section 12.01. Applicants for Employment.

The Utility shall require any applicant for employment to submit to a physical and/or medical examination by a licensed medical practitioner. The Utility may approve or disapprove the employment based upon the information contained in the physical examination. The Utility shall pay for the physical examination and report.

The Utility may include drug testing as a part of the medical examination. A copy of the report shall be made available to both the Utility and the applicant.

##### Section 12.02. Annual Physical.

The Utility requires all employees to submit to an annual physical to be filed with the Utility's current health insurance carrier. The Utility shall pay 100% of the required examination and tests as determined by the Utility. A signed statement from the Doctor performing the physical, stating the employee is free from all communicable diseases, and physically and mentally capable to perform his/her duties while employed at the Utility, will be returned to the Utility. Physical examinations will be scheduled on the employee's own time.

##### Section 12.03. Disputes.

Should any employee contest any of the findings of the physical and/or medical examination, he shall notify the Utility in writing within ten (10) days after his receipt of the written report. Thereafter, the employee shall, within twenty (20) days, submit to the Utility a written report containing the findings reached after a physical and/or medical examination by a medical practitioner of the employee's choice. It shall be the responsibility of the employee to make the necessary arrangements and pay for the examination. If the report of the examining licensed medical practitioner of the employee choice confirms the employee's condition; it shall become binding upon both parties.

However, the Utility may, within ten (10) days of receipt and upon written notice to the employee, request in writing a written clarification of any portion of the report of the employee's examining practitioner, by directing questions and requesting additional information, including the right to forward a copy of the previous Utility examination, to the employee's examining practitioner. The costs of securing any supplemental or clarifying written opinion from the employee's examining physician shall be borne by the Utility. Unless there is an alteration, as a result of the request of clarification by the Utility, in the opinion of the employees examining physician, the original written report of the employee's examining physician shall become final and binding upon both parties.

### ARTICLE XII

#### Evaluation Procedure

##### Section 13.01. Formal Evaluation.

Once each year a formal evaluation shall be made of each Utility employee. The formal evaluation shall be completed on or before November 1 each year. The formal evaluation shall be conducted by the employees' supervisor and/or Operations Manager, reduced to written form, reviewed with the employee, and placed in the employee's personnel file, with a copy delivered to the employee and the Union.

The appropriate employee's supervisor and/or Operations Manager shall acquaint the new employees with this procedure within thirty (30) days after the start of their employment with the Utility.

#### Section 13.03. Evaluation Procedure, Not a Substitute for Discipline.

It is understood and agreed that the completion of the evaluation form will necessarily involve the subjective judgment of the evaluator. Generally, the evaluation should be an attempt to reduce to written form a supervisor's judgment of the work habits, quality and quantity of performance, and general attitude of the employee. However, care is to be excised to avoid inclusion in this evaluation of reference to conduct of the employee, which should be subject of disciplinary reprimand, and dealt with per the provisions of Article XIV.

### ARTICLE XIV Discipline and Discharge

#### Section 14.01. Policy.

The Utility shall not discipline, discharge, suspend or give disciplinary layoff to any employee without compliance with the provisions of this Article. Further, it is agreed that reasonable fairness is objective of the parties. Therefore, the Utility's shall refrain from establishing any unreasonable rules and regulations established by the Utility.

#### Section 14.02. Disciplinary Procedure.

When the Utility determines that conduct of an employee requires disciplinary action for a minor violation, the following procedure shall apply:

- A. **First Offense- Written Reprimand:** Upon the first occurrence, the employee shall be given a written reprimand and copies of the written reprimand shall be forwarded to the employee and placed in the employee's personal file.
- B. **Second Occurrence- Suspension:** Upon the second occurrence, the employee may be suspended for a Period of no less than one (1), no more than three (3) days without pay and copies of the suspension shall be placed in the employee's personnel file and forwarded to the employee and the Union.
- C. **Third and Further Offenses- Termination:** Upon the third occurrence, the employee shall be subject to Disciplinary action up to and including discharge and copies of the action taken shall be placed in the employee's personnel file and forwarded to the employee and the Union.

The above procedure is not required, however, and the employee may be immediately terminated for just cause.

#### Section 14.03. Records.

Records of disciplinary action shall be maintained in the employee's personnel file. For purposes of determining the severity of frequency of offense, only disciplinary action taken against the employee within the previous twelve (12) months from the date of the current events shall be considered by the Utility. An employee may request that disciplinary records over twelve (12) months old be transferred by the Utility to a portion of his personnel file which is not to be opened, except for the purpose of adding additional outdated material, without the employee's consent. This restriction of the use of this material shall remain for so long as the employee remains a regular full time employee of the Utility.



**ARTICLE XV**  
**Impasse Procedure**

If on October 15, 2010, the parties agree that they have reached the point, after negotiating in good faith on all items required by the PERA as contained in the proposals of the Union, the Utility and any counterproposals thereto, where neither party will make further concessions, that they are at impasse. Either party may then declare the existence of the impasse and the following will govern and control their relationship, conduct and further negotiations:

**Section 15.01. Mediation.**

When an impasse has been declared, the Public Employment Relations Board (PERB) shall be notified of the impasse by a letter, which shall include a copy of the negotiated impasse procedure and shall request mediation. The PERB shall appoint a mediator. The mediator shall meet with both parties to resolve their difference and effectuate a settlement of the impasse.

**Section 15.02. Arbitration.**

If the mediator is unable to affect agreement between the parties on or before November 1, 2010, the parties may continue to negotiate directly, or either party may, by phone, confirmed by letter, call for final and binding arbitration.

- A. **Selection of Arbitrator.** Upon the call for arbitration, the parties shall attempt to agree upon a single Arbitrator. If agreement on the arbitrator is not reached within two (2) days after the call for final arbitration, either party may request a list of five (5) arbitrators from the PERB. Within two (2) days of the receipt of the list by the parties, they shall meet and alternately strike a name from the list. The person whose name remains shall be the arbitrator, and each shall be immediately notified of his selection.
- B. **Submission of Issues.** Within five (5) days after selection of the arbitrator, the Utility and the Union shall submit to the arbitrator, in writing, their final offer on each specific impasse item. The parties shall also submit to the arbitrator a copy of the draft of all provisions of the Collective Bargaining Agreement upon which agreement has been reached.
- C. **Direct Negotiation.** During arbitration, the parties reserve the right to continue direct negotiations between themselves on any or all items at impasse, until agreement is reached between the parties or a decision is rendered by the arbitrator.
- D. **Function of the Arbitrator.** From the time of the appointment of the arbitrator, until the arbitrator makes a final decision, there shall be no discussion by the arbitrator concerning recommendations for settlement of the impasse with any parties other than those who are direct parties to the dispute. Further, the arbitrator shall not be engaged in any efforts to settle the dispute in any manner other than that just prescribed in this Article.
- E. **Hearings.** The parties agree that the arbitrator is authorized to hold hearings, both formal and informal, Examine witnesses and documents, take testimony and receive evidence, require the attendance of witnesses and the production of records to assist in the making of a decision or settlement. Further, the arbitrator shall be entitled to exercise any and all powers vested in him/her by the PERA and may petition the appropriate District Court to enforce any of his Order compelling the attendance of witnesses or the production records. Any formal hearings to be held by the arbitrator shall be held within ten (10) days of the date of his selection.

- F. Factors to be considered. The arbitrator shall consider, in addition to any other relevant factors, the following factors:
1. Comparison of wages, hours, and conditions of employment of the involved employees with those of other public employees doing comparable work, giving consideration to factors peculiar to the areas and classifications involved.
  2. The interests and welfare of the public, the ability of the Utility to finance economic adjustments, and the affect of said adjustments on the normal standard of services.
  3. The power of the Utility to appropriate funds for the conduct of its operation.
  4. The responsibility of the Utility to maintain the efficiency of governmental operations.
  5. Past collective bargaining contract between the parties, including bargaining that lead up to such contract.
  6. All powers, duties, and rights of the Utility as established by constitutional provisions, statutes, Ordinances, charter or special act and the specific employer rights as specified in the PERA.
- G. Award. With ten (10) days after the conclusion of the formal hearing, but in no event after January 1, 2011, the arbitrator shall select the most reasonable offer, in his/her judgment, of the final offers on each impasse item submitted by the parties, OR make recommendations and findings ion each impasse item(s) based upon the arbitrator's sole discretion, which recommendation and findings cannot increase any economic demand of the Union, nor decrease any economic offer of the Utility. The arbitrator shall give written explanation for the decision reached, and shall forward a copy of same to both parties. The decision by the arbitrator on the items of impasse, and the items previously agreed upon by the Utility and the Union, shall be deemed to represent the entire agreement between the parties.

Section 15.03. Time and Costs.

- A. Time Periods. Neither party may shorten the time period set forth in the Article, by the time periods Specified may be extended by written agreement of the parties.
- B. Cost. All costs incurred by the mediator arbitrator for performance of their services, or any fee charged, shall be borne equally by the parties. Each party agrees to pay for all expenses or cost incurred by it, or related to its participation in the mediation and/or arbitration, including any costs incurred by a party to engage a representative to assist them during mediation and/or arbitration. Further, and costs incurred for participation by a witness in the arbitration, including the cost to the Utility for providing work replacements during the absence of employee witnesses or participants, shall be borne by the party calling the witness. Costs or expenses of witnesses, including work replacements for the witnesses, called by the arbitrator, shall be shared equally by the parties.

ARTICLE XVI  
Term, Agreement, Severability, Etc.

Section 16.01. Term Agreement.

Upon approval of the Union membership of the bargaining unit, and ratification by the Utility, this Agreement shall be effective as of the 1<sup>st</sup> day of January, 2008 and shall continue in full force and effect up to and including the 31<sup>st</sup> day of December, 2010. Further, this Agreement shall automatically continue in force and effect for subsequent annual periods, except as it may be amended, modified or altered as provided in Section 16.02 and the PERA.

Section 16.02. Amendment.

This Agreement is not subject to any addition, alteration, modification or amendment, unless the addition, alteration, modification or amendment is in writing and signed by both parties. In the event that a party shall desire an addition, alteration, modification or amendment, they shall give notice of their desire to the other party on or before August 1, 2010. The notice shall designate the provisions which that party desires to add, alter, modify or amend and shall include copies of the proposed changes. Once the notice is received, negotiations shall commence on or before September 1, 2010. Any additions, amendments, modifications or alterations agreed to as a result of the negotiations shall be come effective and a part of this Agreement as of the next Agreement period, meaning January 1, 2010. In the event the Agreement is to be amended as provided for in this paragraph, nothing contained herein shall prevent the parties from considering new or revised proposals and alterations during the period of negotiations.

Section 16.03. Notice.

Whenever notice is required to be given by either of the parties to the other, the party shall do so by telegram or letter forwarded to the other at the following designated addresses or such other addresses as may be designated by either party:

A. If to the Utility:                      General Manager of Waverly  
    Light and Power  
    1002 Adams Pkwy, PO Box 329  
    Waverly, IA 50677

B. If to the Union:                      AFSCME Iowa Council 61  
    4320 N.W. 2<sup>nd</sup> Avenue  
  
    Des Moines, IA 50313

President, Local Number 3489 (Name and address on file with the Utility).

Section 16.04. Waiver.

The Waiver of either of the parties hereto of a breach of this Agreement by the other party shall not operate as, nor shall it be construed as, a waiver of any other breach, or of any subsequent breach.

Section 16.05. Severability.

In the event that any provision of this Agreement conflict with the existing laws of the United States or of the State of Iowa, as determined by a court of competent jurisdiction, that part of said Agreement in conflict with the law shall be deleted from this Agreement, to the extent that it violates the law. It is specifically agreed, however,

that all provisions of said Agreement not in conflict with the applicable laws shall be enforceable and only that part that conflicts with the law shall be deleted. Nothing contained in this Agreement shall be construed to require the Utility or the Union to violate any applicable law. Both the Utility and the Union state that it is their intent to comply with all existing laws.

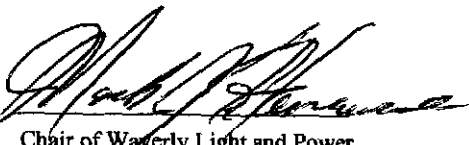
Section 16.06. Entire Agreement.

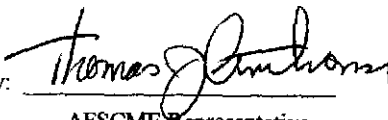
This Agreement represents full and complete understanding of the parties on each of the subjects covered herein and any prior agreements shall be deemed to be of no effect. Further, this Agreement when signed by the proper officials of the Utility and the Union shall be binding upon both parties.


IN WITNESS WHEREOF, the parties have hereunto caused this Agreement to be executed by their representatives and attested to by their respective representatives on this 7<sup>TH</sup> day of AUGUST, 2007.

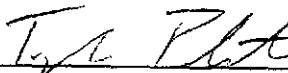
WAVERLY LIGHT AND POWER

AFSCME, LOCAL NO. 3489

By:   
Chair of Waverly Light and Power  
Board of Trustees

By:   
AFSCME Representative

BY:   
General Manager  
Waverly Light and Power

By:   
Local union President

WAVERLY LIGHT AND POWER  
CLASS & WAGE SCALE EXHIBIT A  
WAGE CALCULATIONS SPREADSHEET

LINE DEPARTMENT	MONTHS	0 *	6	12	18	24	30	36	42	48
LINE FOREPERSON		26.60	28.77							
JOURNEY LINEPERSON		24.30	25.48							
APPRENTICE LINEPERSON		14.81	16.04	17.27	18.56	19.77	20.99	22.40	23.49	JOURNEYMAN (TOP SCALE)
EQUIPMENT OPERATOR		20.00	20.84	21.75						
GROUNDPERSON		17.41	18.85							
BUILDING MAINTENANCE/ POWER PLANT OPERATOR		18.99	20.00	20.84	21.75					
INVENTORY CLERK/ACCOUNTANT		20.38	21.03			21.75				

METER DEPARTMENT

METER FOREPERSON	26.60	28.77								
TECHNICAL SERVICES ADVISOR	25.79	27.39								27.92
TECHNICAL SERVICES ADVISOR II	23.69	25.79								
MTR/TRAFFIC SIGNAL RPR WKR	14.16	15.95	17.06	18.18	19.44	20.39	21.89	22.66	23.78	

POWER PRODUCTION

PRODUCTION FOREPERSON	26.60	28.77								
POWER PLT & SUBST. ELECT.	25.79	27.39								27.92
POWER PLANT MECHANIC	19.91	20.99	21.97	23.01						
PLANT OPERATOR	17.26	18.30	19.17	20.11						

OFFICE

ACCOUNTING CLERK	16.44	16.79						18.37		
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\* Rate for new employee who possesses necessary skills to be hired at the top rate in any classification. Such rate of pay shall not last longer than six (6) months.

Compensation-

The wages in Exhibit A shall increase by the Cost-of-Living plus 1% effective January 1, 2008 and each January 1 thereafter for the term of this contract. The Cost-of-Living is defined as CPI-W, North Central Urban Size D.

EXIDBIT B

The hours of work for all Utility employees are hereby established and shall remain in full force effective until further written notification.

A Electrical Distribution, Metering, Generation, and Accountant.

Electrical Distribution employees shall have a normal week consisting of five (5) consecutive eight (8) hour days Monday through Friday and scheduled as follows:

Summer Hours - Beginning with first Monday in March, 7 :00 AM. through 3: 00 P.M.

With a twenty (20) minute paid lunch period, taken during their shift, when work and time permit.

Winter Hours - Beginning with the first Monday after Thanksgiving, 8:00 AM. through 4:00

P.M. with a paid twenty (20) minute lunch period, taken during shift, when work and time permit.

B. Building Maintenance:

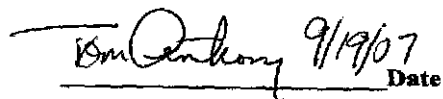
Building maintenance employees shall have a normal workweek consisting of five (5) consecutive eight (8) hour days Monday through Friday from 730M. through 3:30 P.M. with a paid twenty (20) minute lunch period, taken during their shift, when work and time permit.

**Hours of Work Trial Period.** The parties agree to a trial period of one-year which will allow operations employees to work from 7am to 3pm year-round, starting January 1, 2008 and ending December 31 2008. The Utility reserves the right to opt out of the trial period at any time during the year. The employee work schedules will revert back to the current 7am-3pm summer hours and the 8am-4pm winter hours in the event the company chooses to end the trial period.

  
For the Utility

For the union:

9/24/07 Date

  
Date